



日本・インド環境ウィーク
India-Japan Environment Week

インド概況と環境ビジネス機会 India and its Environment-related Business Opportunities

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1 | Profile of India



Basic Profile

- **Population:** 1.4 billion (July 2022, UN estimate)
- **Area:** 3.3 million sq. km (9 times bigger than Japan)
- **GDP:** USD 3.5 billion (2022, IMF estimate)

Society

- **Languages:** 22 recognized by the Constitution of India, of which Hindi is an Official Language
- **Ethnic Groups:** 5 major racial types (Australoid, Mongoloid, Europoid, Caucasian, and Negroid)
- **Religions:** Hindus (80.5%), Muslims (13.4%), Christians, Sikhs, Buddhists, Jains, and others

Governing Structure

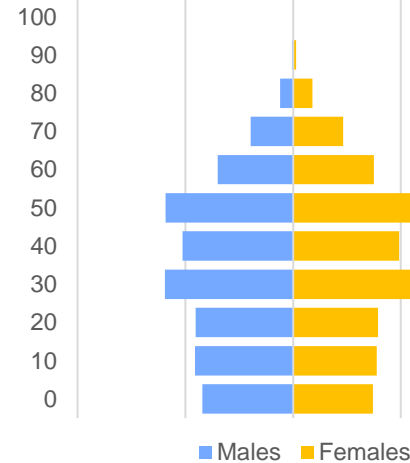
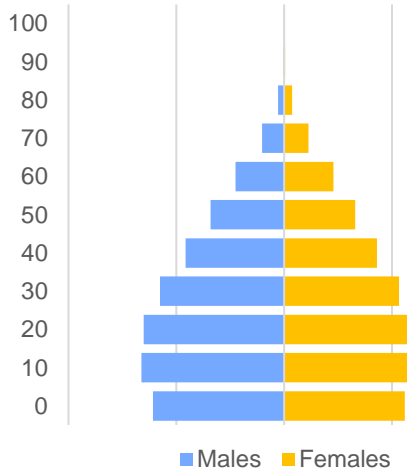
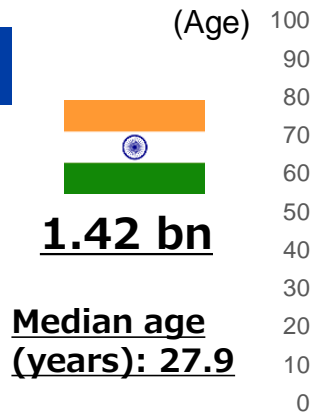
- **Capital:** New Delhi
- **Administrative Divisions:** 28 States and 8 Union Territories
- **Legislative Branch:**
 - Lok Sabha (House of the People)
 - Rajya Sabha (Council of States)

Data Sources: National Portal of India, UN, IMF

2 | India to become the most populous country

- India is projected to surpass China as the world's most populous country in 2023, according to the latest UN report in 2022.

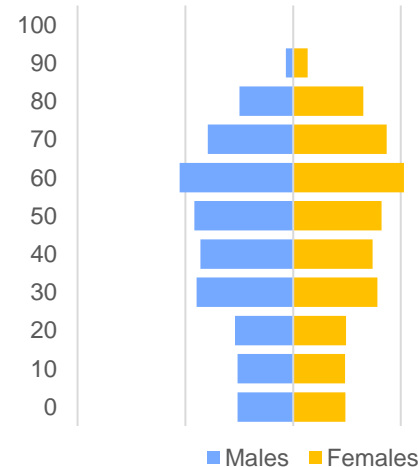
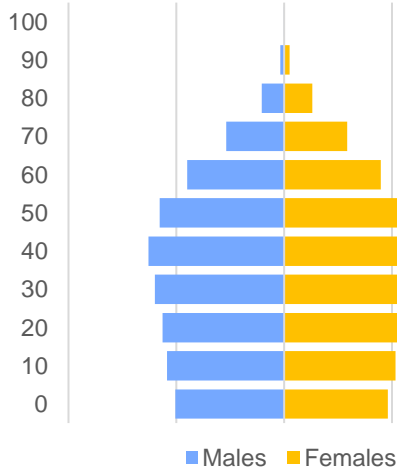
2022



1.43 bn

Median age (years): 38.5

2050
 (Medium-scenario projection)



1.31 bn

Median age (years): 50.7

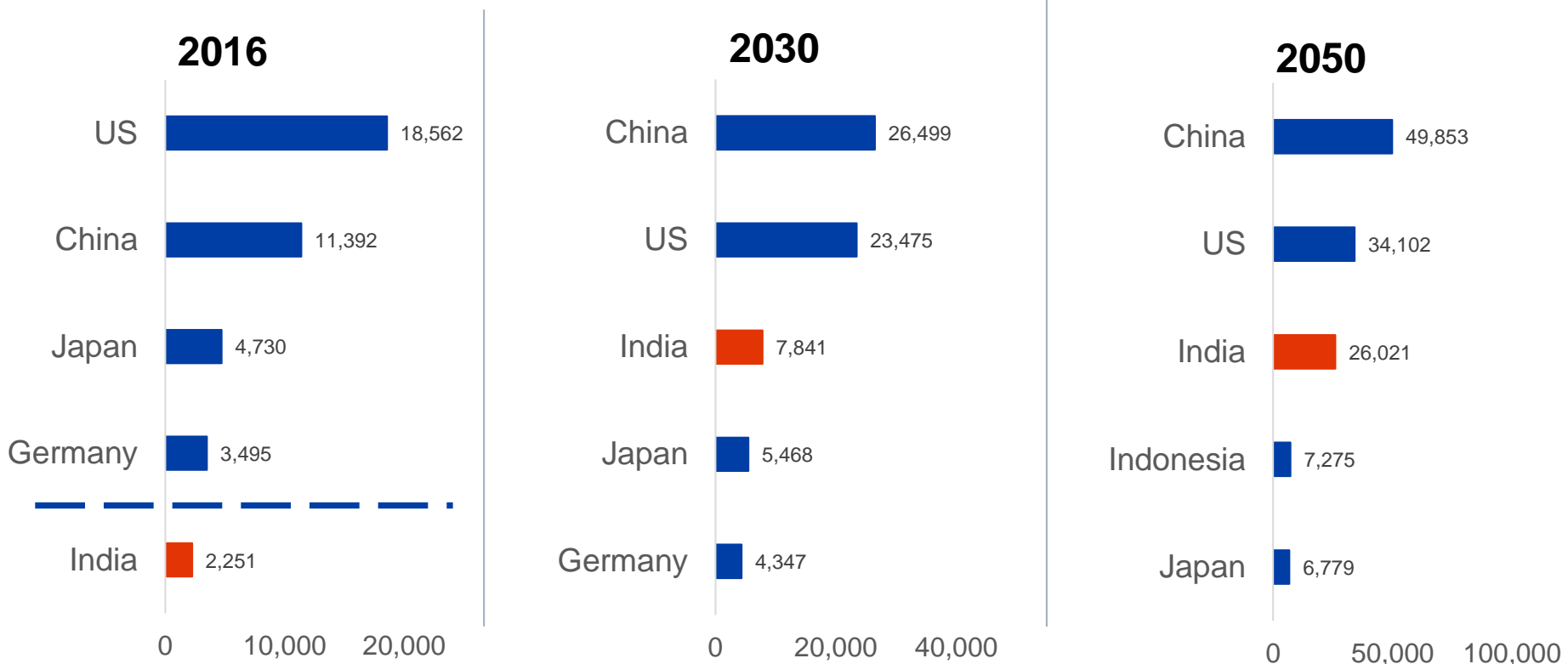
Aging society

3 | India to become the 3rd largest economy

- India is expected to become the third largest economy in the world in near future.

GDP Rankings (including projections)

(in USD Billion)



Data Source: PwC "The World in 2050"

4 | Economic policies by PM Narendra Modi

- PM Narendra Modi has tackled many challenges in India to improve the business environment in India since his inauguration in 2014.

New reforms since 2014

Establishment of NITI Aayog (January 2015)

- **NITI Aayog** was established as a new think-tank body of the central government.

Introduction of GST (July 2017)

- **Goods and Services Tax (GST)** was introduced to unify several indirect taxes which each state had its own rules on.

Production Linked Incentives (since April 2020)

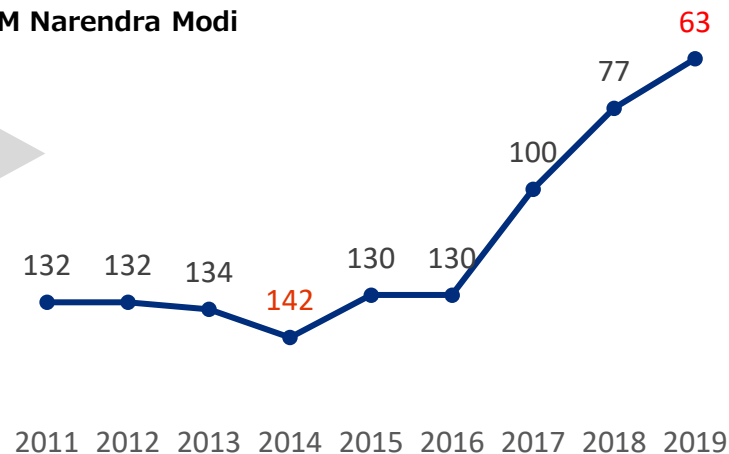
- The central government aims to provide financial support to private companies which plan to invest in new manufacturing units in **14 priority areas**.
- The government is also committed to develop **semiconductors and display manufacturing ecosystem** in India.

Data Sources Central government websites

World Bank “Doing Business” Rankings

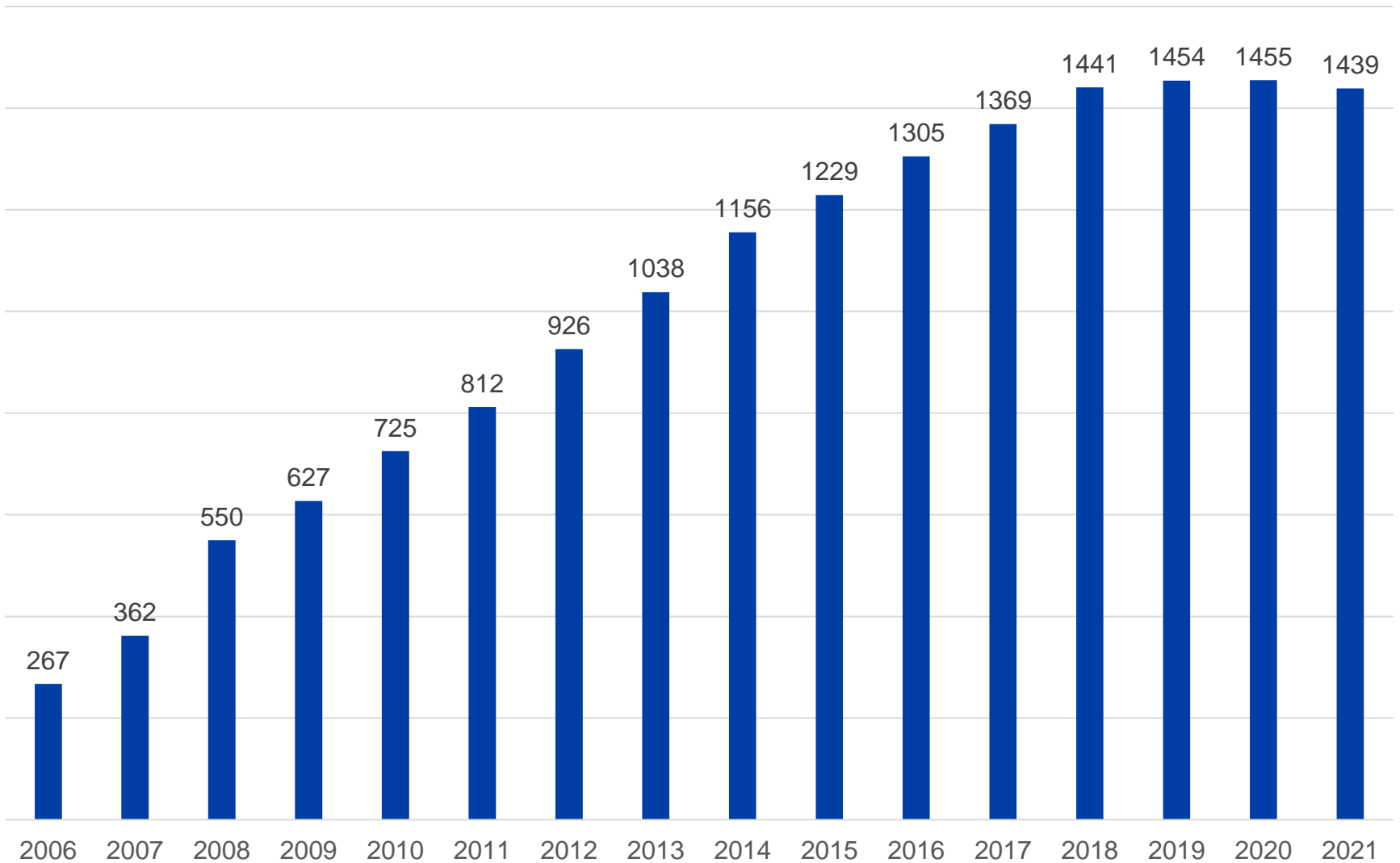


PM Narendra Modi



Data Source: World Bank

5 | Growing number of Japanese companies in India

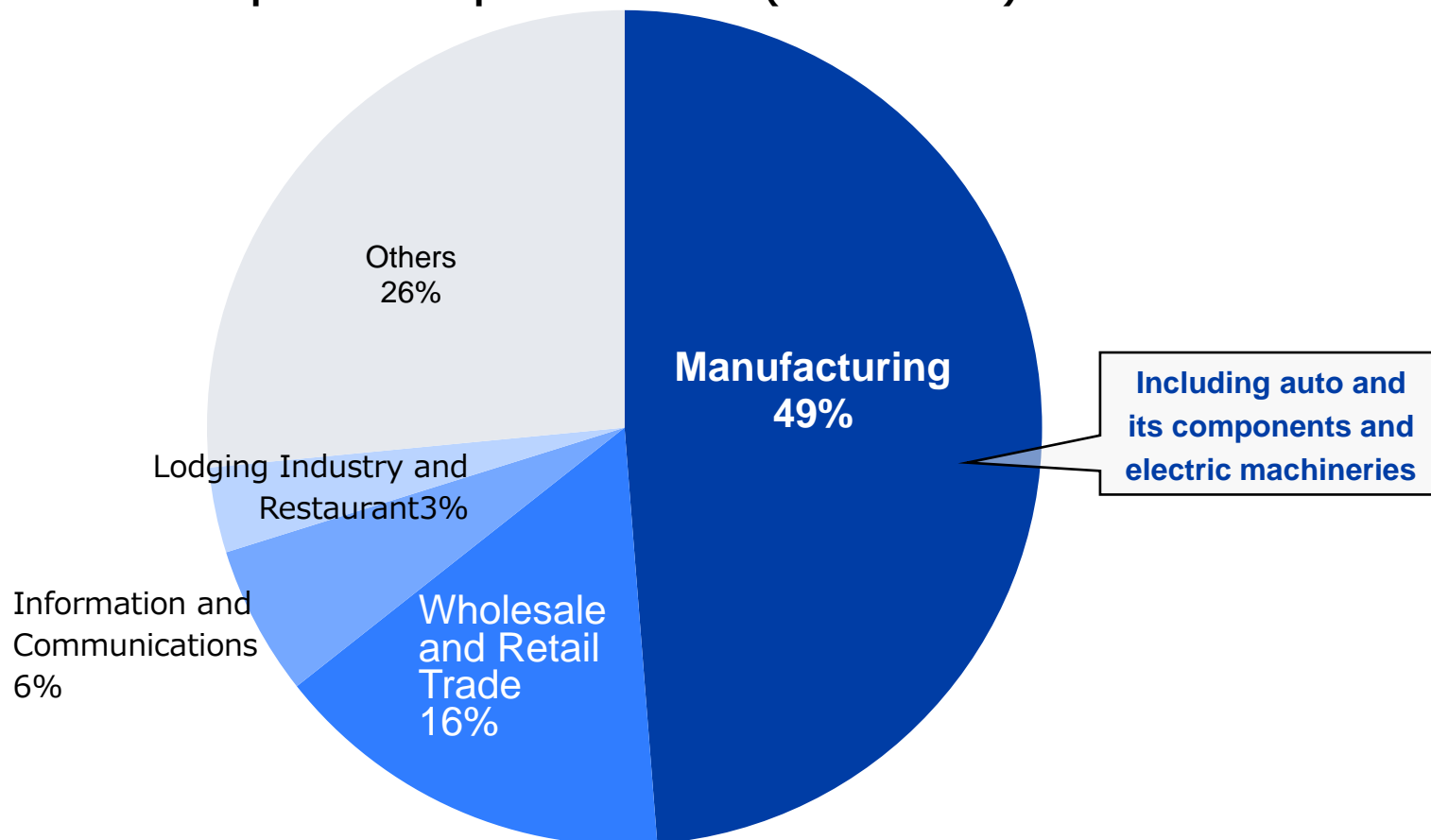


Data source: Embassy of Japan & JETRO "Japanese Business Establishments in India"

6 | Major fields: Auto-related industries

- About a half of the Japanese companies operating in India are in the manufacturing industry including auto and auto components sectors.

Japanese companies in India (Sector-wise)



7 | Towards sustainable growth

- India has already started to become an environmentally friendly nation despite challenging issues.

Environmental Issues

- **6 out of the worst 10 air-polluted cities** in the world in 2021 are in India
- **Thermal plants using coal** are still the major source of power generation in India
- Manufacturing plants are obliged to use **diesel generators** due to unstable power supply



Photo taken by JETRO

Energy Transition

- PM Modi declares **“Net Zero” by 2070** at COP26 Summit in 2021
- New policies for **renewable energy and electric vehicles (EVs)**
- Growing concerns for **energy security in India**



Photo from the PM website

8 | EV Policy

- Promotion of the production and implementation of EVs in India is one of the key policies of the Indian government.

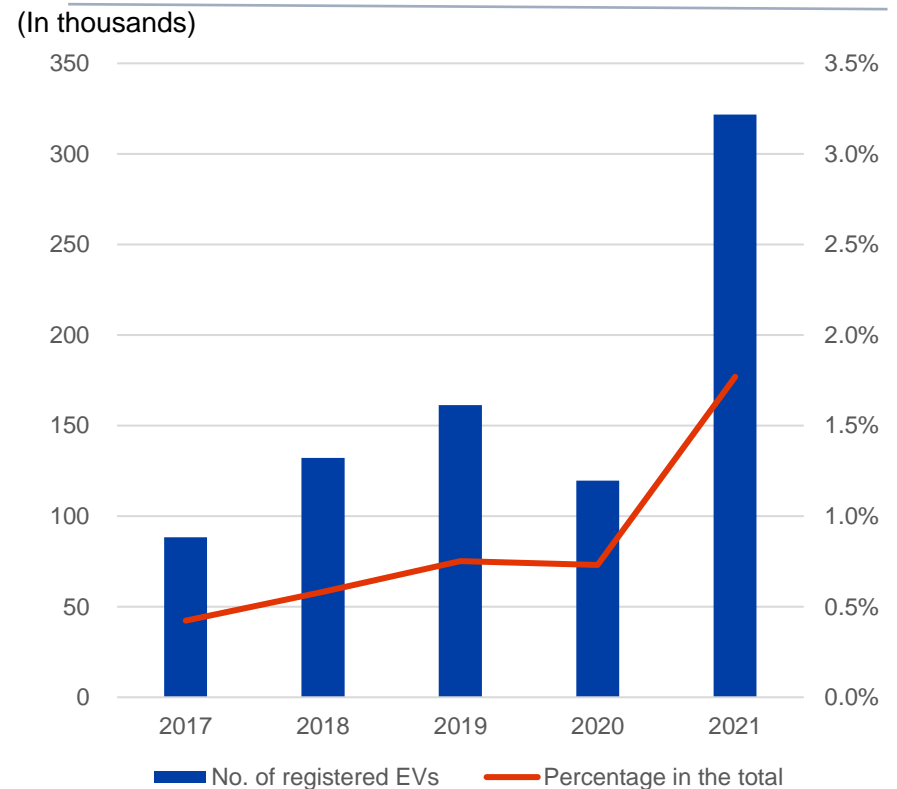
Promotion of EVs in India

- Manufacturers of **EVs and related auto parts such as advanced batteries** are encouraged to invest in new plants through Production Linked Incentive (PLI) scheme.
- Subsidies are given to lower the retail price of EVs in the market in FAME II. **Electric public buses** have been introduced in some cities.



Data Source: NITI Aayog

Number of Registered EVs in India



Data Source: MoRTH

9 | New environment-related rules

- The Plastic Waste Management Rules, 2016 has been amended for several times, while the Vehicle Scrappage Policy was newly introduced in 2021.

Phasing out plastics

- Specific **single use plastics**, including cups, straws and cutlery, have been banned in India since 1st July 2022.
- **Carry bags** should be as thick as 120 microns with effect from 31st December 2022.



Recycling End-of-Life Vehicles

- The launch of **Vehicle Scrappage Policy** was announced by PM Modi in August 2021.
- End-of-Life Vehicle scrapping helps **phase out unfit and polluting vehicles** in an environment friendly manner.



10 | Environment-related business by Japanese companies in India

- Japanese companies have recently started operating environment-related businesses in India.

DAIKI AXIS INDIA

- Daiki Axis, the largest producer of packaged STPs (**sewage treatment plants**), has set up a new manufacturing unit in Palwal, Haryana, in November 2022. This is their second unit in India, after the first one in Vapi, Gujarat.

ABHISHEK K KAIHO

- Abhishek K Kaiho, a JV of Abhishek Group (India) and Kaiho Sangyo (Japan), started operations at their first **vehicle scrapping facility** in the Nuh district of Haryana in May 2022.

MARUTI SUZUKI TOYOTSU INDIA

- Maruti Suzuki Toyotsu India, a JV of Maruti Suzuki and Toyota Tsusho Group, has set up its first **vehicle scrapping and recycling unit** in Noida, Uttar Pradesh, in November 2021.

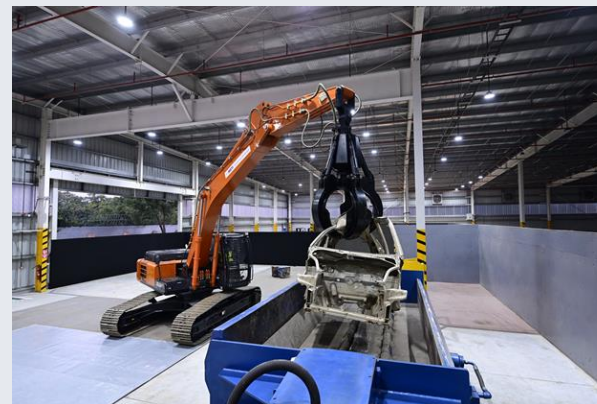


Photo provided from Maruti Suzuki Toyotsu India

Thank you for listening!